



DOWNTOWN BUSINESS REVITALIZATION ZONE
309 – 6 Street South, Lethbridge, Alberta - Phone (403) 327-9002

April 27, 2020

Re: 2020 BRZ Levy

His Worship Mayor Spearman, Members of City Council;

Business revitalization zones or business improvement districts play a crucial role in supporting the vibrancy, economic health, and appeal of key commercial areas by pooling resources and working together, through a formal association. Since its formation in 1988, the Downtown Business Revitalization Zone (BRZ) and its 550+ business members have been faithfully committed to advancing revitalization efforts and economic development in the downtown through an additional tax levy.

Throughout that time, an ongoing, steady revitalization of the downtown has taken place. Multiple partnerships have been formed since the establishment of the BRZ which have resulted in millions of dollars – both private and public – being invested in a variety of downtown developments as well as a number of successful programs including the Clean Sweep Program, Marketing Ambassador Program, Summer Ambassador Program, Main Street Program, Business Improvement Loan Program, First Friday and the Downtown Farmers Market. Our downtown would look starkly different if not for the benefits brought by these partnerships and programs.

During a typical year, a request of the type set out herein would not be necessary. However, due to the significant economic impact that the COVID-19 pandemic is having on our member businesses, we are asking that you strongly consider working with our association to find ways to support one-time cancellation of the 2020 BRZ tax levy.

As you are well aware, Second and Third Readings of Bylaws 6219 and 6220 were passed at the April 20 Council meeting. The next step in the process for the 2020 BRZ Levy is for the Assessment and Taxation Department to send out notices to member businesses. Those BRZ levy notices have yet to be sent out. Although we are confident that the majority of our member businesses support the work being done by our association and understand the importance of a business revitalization zone, they are all contending with great financial pressure during these uncertain and challenging times; in this environment, the additional tax levy will likely be a challenge for many to pay, if not impossible should a business be forced to close entirely.

The numbers from both the Economic Developers of Alberta and the Lethbridge Region Economic Recovery Task Force estimate that 25-30% of businesses might not re-open after COVID-19. Those numbers could well be higher in downtown Lethbridge due to the economic pressures that were already being experienced by our members as a result of the community drug crisis that has hit downtown businesses particularly hard.

The most concerning issue facing the BRZ is that any unpaid BRZ tax levy amounts in 2020 would then be added to the 2021 levy which would then have to be spread amongst remaining businesses. If the projected numbers of business closures is accurate this could result in businesses owing some two or three times their levy amount in 2021, which would spell trouble for the future of the BRZ.

The BRZ has not taken this request lightly. We have done our due diligence to review our existing operating budget to explore where we could cut back to lower the amount levied onto our member businesses. The reality is our association has always been financially responsible, operating with a small staff of two employees and absorbing increases to our fixed costs for years.

The BRZ will play an important recovery role when our economy re-opens, and into the future. Our downtown is the hub for our professional, cultural and civic life. It is crucial that when the phased re-opening of our local economy takes place, we are able to promote and market the downtown as well as advocate on behalf of our member businesses. We need to be there to assist them as they start to rebuild their businesses and to welcome back our many customers and clients. We ask for your assistance to help position the BRZ to do precisely that.

Yours sincerely,

BRZ Board of Directors,

Per: 

Hunter Heggie, Chair